SECTION V – ISSUE INFORMATION SUMMARY TERM SHEET

This is an indicative term sheet.

Issuer	Meghalaya Energy Corporation Limited
Security Name	10.55% MEeCL BONDS 2033
Type of Instrument	Secured, Rated, Redeemable, Nonconvertible, Taxable Bonds with unconditional and irrevocable Government Guarantee of Meghalaya guarantee for timely repayment of interest and principal and will remain in force till the maturity.
Nature of Instrument	Secured, Rated, Redeemable, Non convertible, Taxable Bonds with unconditional and irrevocable Government of Meghalaya
Depository	National Securities Depository Limited ("**NSDL**") and Central Depository Services (India) Limited ("**CDSL**")
Seniority	Secured Backed by Government Guarantee of Meghalaya
Eligible Investors	All qualified institutional buyers (as defined under Regulation 2(1)(ss) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and specific non-qualified institutional buyers mapped by the Issuer to the BSE Electronic Book Provider Platform. No Identified Person shall be entitled to renounce his right to subscribe to the NCDs to any person.
Listing	The Debentures shall be listed on the Wholesale Debt Market segment of the [BSE] within a period of 3[(Three)] trading days fromthe Issue closingdate for the period commencing from the Deemed Date of Allotment. The Listing will be done within 3 working days from the date of closure in accordance with the SEBI NCS Circular.
Rating	A(-)CE StablebyAcuité Ratings & Research Limited
Issue Size(Limit)	Rs 240.70 Crores
Minimum subscription	Not Applicable
Option to retain oversubscription (Amount)	Nil
Anchor Portion Details	YES -Tipsons Financial Services Private Limited(Corporate)-NON QIB-Quantum-Rs 50 Crores
Bid Book Type	Close Book
Allocation Option	Uniform Yield Allotment
Objects of the Issue / Purpose for which there is requirement of funds	To repay high interest cost loans and for repayment of interest and principal payment liabilities against the existing loans.
Details of the utilization ofthe Proceeds	The 100% proceeds of the Issue shall be utilized for the objects as mentioned hereinbefore
Coupon/Interest Rate	At most 10.55 %p.a.
Step Up/Step Down Coupon Rate	Not Applicable
Coupon/Interest Payment Frequency	Quartely
Coupon/Interest Payment Dates	Quartely
Coupon Type (Fixed, floatingor other structure)	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	Not Applicable
Day Count Basis (Actual/Actual)	Actual/Actual
Interest on application money	Interest on application money shall be paid at the Coupon Rate / Redemption Premium (subject to deduction of tax of source, as applicable) from the date of realization of cheque(s) / demand draft(s) up to one day prior to the Deemed Date of Allotment Where Pay-in Date and Deemed Date of Allotment are the same, no interest on Application Money is to be paid.
Default interest rate	- In case of default in payment of Interest and/or principal redemption on the due,additional interest of at least @ 2% p.a. over the coupon rate will be payable by the Company for the defaulting period.

	-In case of delay in listing of the NCDs beyond 3 working days from the date of IssueClosing Date, the Company will pay penal amount of at least 1 % p.a. over the CouponRate from the expiry of 3 working days from the date of Issue Closing Date till the listingof such NCDs to the investor.
Tenor	10 Years
Redemption Date	The Debentures shall be redeemed at par on maturity which is at the end of 10 years from the Deemed Date of Allotment i.e. April 03,2023
Redemption Amount	Entire outstanding amount on the Debentures (Including the outstanding face value of the Debentures of Rs, 1,00,000/- per Debenture) along with payment of Coupon accrued thereon and Default interest (if any) on the Maturity date.
Redemption Premium / Discount	Not Applicable
FaceValue	Rs1,00,000 per NCD
Discount at which security isissued and the effective yield as a resultof such discount	Not Applicable
Issue Price	Rs1,00,000 per NCD
Put option, Put Date and PutPrice	Not Applicable
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	Not Applicable
Call option, Call Date and Call Price	Not Applicable
Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising thecall)	Not Applicable
Minimum Application	1(One) NCD and in multiple of 1(one)NCD thereafter
IssueTiming	
Issue Opening Date	March 31,2023
Issue Closing Date	March 31,2023
Date of earliest closing of the issue,if any.	March 31,2023
Pay-inDate	April 03,2023
Deemed Date of Allotment	April 03,2023
Manner of Allotment	Dematerlised Form
Manner of Settlement	Through Clearing Corporation/ICCL OR Through Escrow Bank Account
Settlement Cycle	(T+1) i.e One working days from the closing of the Issue).
Details of Escrow Account	Axis Bank Trust and Retention Account , Police Bazaar
Bond Redemption Reserve Account	The Power Department of the Government of Meghalaya has put in place a mechanism that ensures that an amount of Rs. 41,75,00,000/- (Rupees Forty One Crore Seventy Five Lakh only) every year is unfailingly deposited in a fixed deposit with a bank, approved by the Debenture Trustee, which amounts, together with interest earned thereon, shall be solely utilised for the redemption of the Bonds upon their maturity. The aforesaid amount of Rs. 41,75,00,000/- (Rupees Forty One Crore Seventy Five Lakh only) is mentioned/calculated for the total capacity of MeECL to float Bonds uptoRs. 630 Cr. Therefore, the above amount shall be proportionate to the issue size of Rs. 240.70 Cr.
DSRA	2 (two) quarter interest amount shall be kept in separate account to secure the interest payment. The designated bank account is already opened by the MeECL.
Settlement Mode	Settlement by way of RTGS/NEFT/Fund Transfer or any other electronic mode offered by the Banks.

Record Date	15 clear days prior to the Coupon Payment Date and Redemption Date.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	Such covenants as may be specified in the Transaction Documents and also please refer to the Affirmative Covenants and Negative Covenants under Section 3 and Section 4 under "*TRANSACTION DOCUMENTS AND KEY TERMS*" below
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the placement memorandum	Unconditional and Irrevocable Guarantee by Government of Meghalaya
Transaction Documents	a) Copy of resolution passed by the Board of Directors of the Company for issue of NCDs; b) Copy of resolution passed by shareholders of the Company under section 180(1)(c) of the Companies Act, 2013; c) Credit Rating Letter along with rating rationale issued by Acuité Ratings & Research Limited; d) Consent Letter of the Debenture Trustee e) Consent Letter from Credit Rating Agency f) Tripartite Agreement entered between the Company, Depository and the Registrar to the Issue g) Debenture Trustee Agreement h) Debenture Trust Deed i) Placement Memorandum The Copy of the aforementioned documents is annexed herewith and will also be available for inspection at the registered office of the Company during the working hours on any working day till date listing of NCDs on BSE.
Conditions precedent to Disbursement	As may be specified in the Transaction Documents
Conditions subsequent to Disbursement	As may be specified in the Transaction Documents
Creation of recovery expense fund	The Company shall create recovery expense fund in the manner as may be specified by SEBI from time to time and inform the Debenture Trustee about the same. The recovery expense fund shall be utilised for the activities as may be prescribed by the applicable regulations.
Affirmative Covenants	1. To comply with corporate governance, fair practices code prescribed by SEBI 2. Notification of any potential Event of Default or Event of Default Obtain, comply with and maintain all licenses / authorizations 3. Provide details of any litigation, arbitration or administrative proceedings that may have a material adverse effect 4. Maintain internal control for the purpose of (i) preventing fraud on monies lent by the Company; and (ii) preventing money being used for money laundering or illegal purposes 5. Comply with any monitoring and/or servicing requests from Debenture Holders and the Debenture Trustee. And as set out in greater detail in the Debenture Trust Deed and Please refer to Section 3 under "*TRANSACTION DOCUMENTS AND KEY TERMS*" below

Negative Covenants	To be set out in the Debenture Trust Deed and Please refer to Section 4 under *"TRANSACTION DOCUMENTS AND KEY TERMS"* below
Events of Default	To be set out in the Debenture Trust Deed and Please refer to Section 4 under *"TRANSACTION DOCUMENTS AND KEY TERMS"* below
Conditions for breach of covenants	(a) The Issuer agrees to pay an additional interest rate of 2% (two percent) per annum above the applicable Annualised Interest Rate on the Outstanding Principal Amounts from the date of the occurrence of a Payment Default or any other Event of Default until such Payment Default or Event of Default is cured, on the relevant Due Date occurring during the aforementioned period. The Issuer agrees to pay an additional interest rate of 2% (two percent) per annum above the applicable Annualised Interest Rate on the Outstanding Principal Amounts from the date of the occurrence of any breach of its obligations set out under the Transaction Documents until such breach is cured on each on the relevant Due Date occurring during the aforementioned period.
Provisions related to Cross Default Clause	The Company: (i) defaults in any payment of any Financial Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created; (ii) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (with the giving of notice or the passage of time or both would permit or cause) any such Financial Indebtedness to become due prior to its stated maturity; or any Financial Indebtedness of the Issuer is declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment (whether or not such right shall have been waived), prior to the stated maturity thereof.
Inclusion of compliance clause in relation to electronic book mechanism and details pertaining to the uploading the placement memorandum on the Electronic Book Provider Platform, if applicable	The Debentures issued under this Placement Memorandum shall be issued through the Electronic Book Mechanism and the Issuer shall accordingly notify the details of each such issuance of Debentures as per the revised Chapter VI of the Operational Guidelines issued by the Securities and Exchange Board of India vide SEBI circular dated 10th October, 2022 read with BSE notice number 20221228-1 dated December 28, 2022 ("BSE EBP Guidelines") through EBP of BSE. Accordingly, the Issuer shall receive bids (during such hours of business as may be specified by the Issuer in this Placement Memorandum or such other time as may be notified by the Issuer through the relevant EBP) from the eligible applicants through the EBP of BSE. At the sole discretion of the Issuer, the bids of the eligible applicants may be accepted by the Issuer and such applicants of successful bids shall be allotted Debentures as per the terms of the Placement Memorandum.
Role and Responsibilities of Debenture Trustee	The role and responsibilities of the Debenture Trustee shall be as defined under the Debenture Trust Deed and as prescribed under the Companies Act, 2013, the SEBI ILNCS Regulations and the SEBI (Debenture Trustees) Regulations, 1993.
Governing Law	The NCDs shall be governed by the existing laws of India.
Jurisdiction	Any disputes arising out of or connected with the Issue of NCDs shall be subject to exclusive jurisdiction of courts and tribunals located at Shillong, Meghalaya.
Business Day Convention	If the Final Redemption Date or the Early Redemption Date (the date on which the Debentures are redeemed prior to the Final Redemption Date in terms of the Transaction Documents), as the case may be, falls on a day that is not a Business Day, such payment of interest and redemption amount shall be made on the immediately preceding Business Day. Working day, for the purpose of this clause, shall mean a day on which scheduled commercial banks are open for business in the city of Mumbai.

Disclosure of Cash Flows in terms of the SEBI NCS Circular:

Illustration of Bond Cash Flows	
Company	Meghalaya Energy Corporation Limited
Face Value (per security)	INR 1,00,000 (Indian Rupees One Lakh)
Issue Date / Date of Allotment	Issue Opening Date: March 31,2023 Deemed Date of Allotment: April 03,2023
Redemption Date / Maturity Date	Redemption Date / Maturity Date: 10 (Ten) Years from the Deemed Date of Allotment, i.e, April 03,2023
Coupon Rate	Please refer Section V (Issue Information Summary Term Sheet).
Frequency of the Coupon Payment with specified dates	Please refer Section V (Issue Information Summary Term Sheet). Please also see below.
Day Count Convention	Actual/Actual

REDEMPTION DATE	PRINCIPAL AMOUNTS TO BE REDEEMED (IN INR)	INTEREST AMOUNTS (IN INR)	REDEMPTION PAYMENT (IN INR) (being the aggregate of the Outstanding Principal Amounts and the Interest Amounts)
12.06.2023	-	2196.71	-
11.09.2023	-	2630.27	-
11.12.2023	-	2630.27	-
11.03.2024	-	2623.09	-
10.06.2024	-	2630.27	-
10.09.2024	-	2659.18	-
10.12.2024	-	2630.27	-
10.03.2025	-	2594.26	-
10.06.2025	-	2651.91	-
10.09.2025	-	2651.91	-
10.12.2025	-	2623.09	-
10.03.2026	-	2601.37	-
10.06.2026	-	2659.18	-
10.09.2026	-	2659.18	-
10.12.2026	-	2630.27	-
10.03.2027	-	2601.37	-
10.06.2027	-	2659.18	-
10.09.2027	-	2659.18	-
10.12.2027	-	2630.27	-
10.03.2028	-	2623.09	-
12.06.2028	-	2716.99	-
11.09.2028	-	2630.27	-
11.12.2028	-	2630.27	-
12.03.2029	-	2623.09	-
10.06.2029	-	2594.26	-
10.09.2029	-	2651.91	-
10.12.2029	-	2623.09	-
11.03.2030	-	2630.27	-
10.06.2030	-	2630.27	-
10.09.2030	-	2659.18	-
10.12.2030	-	2630.27	-
10.03.2031	-	2601.37	-
10.06.2031	-	2659.18	-
10.09.2031	-	2659.18	-
10.12.2031	-	2630.27	-
10.03.2032	-	2623.09	-
10.06.2032	-	2659.18	-
10.09.2032	-	2659.18	-
10.12.2032	-	2630.27	-
10.03.2033	-	2601.37	-
03.04.2033	-	635.89	-
03.04.2033	100000	-	205623.17